1	2	3
2	Ramagundam TPS Extn. (A. P.)	2x250
3	Simbadri TPS (A. P.)	2x500
4	Kozhikode DGPP (Kerala)	120
5	Samalpatti Diesel Engin Power Plant (Tamil Nadu)	100
Eastern Region		
1	Katihar TPS (Bihar)	2x250
2	Kolaghat TPS (W. Bengal)	1x25
Andaman ? Nicobar Islands		
1	Diesel Gen. Plant at Bambooflat	4x5
North-Eastern Region		
1	Rokhia GT Ph. II (Tripura)	16

World Bank loan for development of powergrid system

138. SHRI KRISHNA KUMAR BIRLA: Will the Minister of POWER be pleased to state:

(a) whether the World Bank has announced to give $ 350 million loan for the development of a powergrid system in India;

(b) if so, the terms and reference of the loan agreement;

(c) to what extent the county's power transmission system would be improved; and

(d) by when project is expected to be completed and implemented?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) World Bank has agreed to provide US$ 350 million for System Development Project of POWERGRID.

(b) The World Bank loan is repayable over 20 years including 5 years of grace period at the Banks standard variable interests rate. The loan would be givtn to POWERGRID directly, with Government of India acting as a Guarantor for which a guarantee fee of 1 per cent per annum will be admissible to the Government.

(c) Implementation of this project will augment the transmisssion System improve the efficiency of power system operations, reduce transmission system losses and improve goordination and control facilities.

(d) Various components covered under the project are to be completed progressively by December 31st, 1999.

Government guarantee for private power projects

139. SHRI PRAMOD MAHAJAN: SHRI VIREN J. SHAH:

Will the Minister of POWER be pleased to state:

(a) whether Government's attention has been drawn to the newsitem

which appeared in the Economic Times dated 29th June, 1994 under the caption, Power sector guarantee perverse; W.B. economist;

(b) if so, what are the facts in this regard; and

(c) what are the contemplated positive benefits of the Government's proposal in guaranteeing specific rate of return for Private Sector Power Projcts?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) Yes, Sir.

(b) and (c) 16% Return on Equity is one of the elements of fixed cost which can be recovered at 68.5 per cent PLF. The rate of return earned by a company depends on its efficiency and level of performance. For generation below 68.5 percent there is a pro rata reduction in recovery of fixed charges. This tariff principle has been formulated to principle has been formulated to provide adequate security to the investors.

Improving the functioning of SEB's

140. SHRI GHUFRAN AZAM: Will the Minister of POWER be pleased to state:

(a) whether Government's attention has been drawn to a newsitem captioned "Need to tone up SEBs stressed" as reported in the Statesman dated 21.6.1994;

(b) if so, whether the World Bank has cautioned about SEBs performances in its latest report;

(c) if so, whether Government propose to tone up the functioning of the SEBs to encourage private sector investment; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) and (b) Yes, Sir. In its report entitled "India-Recent Economic Developments and Prospects" dated 27th May, 1994, World Bank has opined that the progress in the Power Sectors has been constrained due to the poor financial position of most of the SEBs.

(c) and (d) A number of measures have been initiated to improve the functioning of the SEBs. These, inter-alia, include signing and monitoring of Operational and Financial Action Plan (OFAP) by Power Finance Corporation (PFC), rationalisation of tariff, regular payment of rural electrification subsidy, by the State Governments, improvement in Plant Load Factor reduction in T and D losses, conversion of State Government loans into equity etc.

Performance awards for power plants

141. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of POWER be pleased to state:

(a) whether Government have instituted performance|meritorious awards for the power plants in the country;

(b) if so, the basis for giving such awards and the related guidelines; and

(c) the details of the awardees, year-wise, alongwith their specific achievements against the laid down norms for each parameter during the last three year?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) Yes, the Govt. has instituted a performance|meritorious awards scheme for thermal power stations in 1993. Under this scheme, operation & maintenance personnel are rewarded for their efforts to improve the performance of the station.